

# IDAHO: EXPORTS, JOBS, AND FOREIGN INVESTMENT

## **Exports Mean Jobs for Idaho Workers**

- Nearly one-fourth (24.4 percent) of all manufacturing workers in Idaho depend on exports for their jobs. This is well above the national-level share of manufacturing workers supported by exports (20.5 percent). (2001 data latest available).
- Export-supported jobs account for an estimated 10.8 percent of Idaho's total private-sector employment (more than one of every ten jobs), which is sharply higher than the national average of 6.5 percent (roughly one of every 15 jobs). (2001 data latest available)

*Note: Export-related jobs estimates include only jobs supported by exports of manufactured goods; jobs generated by exports of services are excluded. Consequently, the numbers understate the total employment impact of exports. Source: State Export-Related Employment Project, International Trade Administration & Census Bureau.*

## **Exports Help Sustain More Than One Thousand Idaho Firms—Small As Well As Large**

- A total of 1,195 companies exported from Idaho locations in 2001. Eighty-two percent of these companies—more than four-fifths—were small and medium-sized enterprises that had fewer than 500 employees.
- Small and medium-sized firms generated approximately one-sixth (15.9 percent) of Idaho's total exports of merchandise in 2001.

*Source: Exporter Data Base, International Trade Administration & Census Bureau.*

## **Economic Globalization: A Two-Way Street for Idaho**

- In 2002, majority-owned affiliates of foreign companies employed 12,500 workers in Idaho.
- Of these foreign-investment-supported jobs in Idaho, nearly one-third (31 percent; 3,900 workers) were in the manufacturing sector in 2002.
- Majority-owned affiliates of foreign companies accounted for 5.6 percent of total manufacturing employment in Idaho in 2001 (roughly one of every 18 manufacturing workers).
- Foreign investment in Idaho was responsible for 2.3 percent of the state's total private-industry employment in 2001.
- Major sources of Idaho's foreign-investment-supported jobs in 2002 were Switzerland, Canada, the United Kingdom, and France.

*Note: All figures exclude employment in banks affiliated with foreign companies. Source: Bureau of Economic Analysis.*

## **Idaho Depends on World Markets**

- Idaho's export shipments of merchandise in 2003 totaled \$2.1 billion, up seven percent from \$2.0 in 2002.

- Idaho exported globally to 141 foreign destinations in 2003. The state's largest export market is NAFTA member Canada. Idaho exported \$362 million worth of merchandise to Canada in 2003, which was over one-sixth of the state total for that year. Canada was followed by the United Kingdom (\$350 million) and Japan (\$269 million). Other top markets in 2003 included Singapore, Taiwan, Hong Kong, China, the Philippines, Malaysia, and South Korea.
- Idaho's biggest growth market, in dollar terms, has been Canada. From 1999 to 2003, export shipments to Canada rose from \$288 million to \$362 million, an increase of \$74 million. Other countries to which Idaho recorded large increases in merchandise exports over this period were China (exports up \$72 million), the Philippines (up \$54 million), Hong Kong (up \$28 million), and South Korea (up \$25 million).
- Of Idaho's top 30 major markets, exports to Sri Lanka grew the fastest over the 1999-2003 period. Idaho's exports of goods to Sri Lanka increased from some \$137,000 to \$6 million, an increase of over 4,200 percent. Other major markets to which Idaho rapidly increased exports from 1999 to 2003 were the Philippines (exports up 225 percent), China (up 212 percent), India (up 139 percent), and New Zealand (up 84 percent).
- The state's leading export category by far is computers and electronic equipment, which accounted for 58 percent, or \$1.2 billion, of Idaho's total merchandise exports in 2003. Other top exports that year were processed foods (2003 exports of \$269 million), chemical manufactures (\$153 million), and paper products (\$113 million).
- In dollar terms, Idaho's leading export growth category is processed foods. Export shipments of these products in 2003 were \$66 million above the 1999 level of \$203 million. Other manufactured export categories that registered large dollar growth over the 1999-2003 period were chemical manufactures (up \$60 million); paper products (up \$19 million); and electrical equipment, appliances, and parts (up \$13 million).
- In percentage terms, Idaho's fastest-growing manufactured export category is non-apparel textile products, which rose 313 percent from some \$138,000 in 1999 to just under \$572,000 in 2003. Idaho also more than doubled its exports of primary metal manufactures (up 117 percent), and fabric mill products (up 116 percent).

*Source: Origin of Movement State Export Series, Bureau of the Census.*

*Caution: The Origin of Movement series allocates exports to states based on transportation origin, i.e., the state from which goods began their journey to the port (or other point of exit) from the United States. The transportation origin of exports is not always the same as the location where the goods were produced. Consequently, conclusions about "export production" in a state should not be made solely on the basis of the Origin of Movement state export figures.*

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